

The State Board of Equalization

NOTICE OF CORRECTION

The State Board of Equalization (Board) published a Notice of Proposed Regulatory Action (NOPRA) concerning proposed amendments to California Code of Regulations, title 18, section (Regulation) 1684, *Collection of Use Tax by Retailers*, in the April 6, 2012, edition of the California Regulatory Notice Register (Register 2012, No. 14-Z, Page 456). The Board also prepared an Initial Statement of Reasons (ISR) for the proposed regulatory action.

The Statement of Specific Purpose and Necessity in the ISR correctly provides that the “Board considered Formal Issue Paper 12-003 during its February 28, 2012, Business Taxes Committee meeting, and the Board voted to propose the adoption of staff’s recommended amendments” to Regulation 1684 at that time. However, the Informative Digest/Policy Statement Overview provided in the published NOPRA contains the following paragraph, which incorrectly indicates that the Board considered the issue paper and voted to propose the amendments to Regulation 1684 during a Business Taxes Committee meeting on February 28, 2011, instead of February 28, 2012:

During its February 28, **2011**, Business Taxes Committee meeting, the Board determined that staff’s recommended amendments are reasonably necessary to accomplish the objectives of making Regulation 1684 consistent with the amendments made to RTC section 6203 by AB 155, implementing and clarifying the new provisions that were added to section 6203 regarding “substantial nexus,” “commonly controlled group nexus,” and “affiliate nexus,” and providing notice to retailers that they will be required to register to collect California use tax if they have a “substantial nexus” with California once the amendments made to section 6203 by AB 155 become operative. (The interested parties process and February 28, **2011**, meeting are discussed in more detail in the initial statement of reasons.)

Any inquiries regarding this correction to the NOPRA should be made to Mr. Rick Bennion, Regulations Coordinator, by telephone at (916) 445-2130, by fax at (916) 324-3984 , by e-mail at Richard.Bennion@boe.ca.gov, or by mail at State Board of Equalization, Attn: Rick Bennion, MIC:81, 450 N Street, P.O. Box 942879, Sacramento, CA 94279-0080.